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## REMARKS

Claims 1-13 are pending in the present application. Election of claims 1-13 and withdrawal of claims 14-35 is affirmed. Reconsideration of the claims is respectfully requested.

## I. <u>35 U.S.C. § 103</u>

Claims 1-13 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Admitted Prior Art (APA) of pages 1-3 of the instant specification in view of Limelett (6,899,276). These rejections are respectively traversed.

Applicant's claim I addresses wrapping a film that has been preprinted with a license agreement around a Smart Card and sealing the film to form a package. This "kitting" approach replaces the currently used approach of mounting the Smart Card on a carrier and placing the carrier in a #10 envelop that has been preprinted with the license agreement. The kitted smart cards are about 1/3 the size of a #10 envelope, which simplifies the task of handling, storing and transporting large volumes of Smart Cards to distributors, OEMs, etc. The kitted Smart Cards are not used for direct mailing to individual subscribers. The kitted Smart Card does include a carrier and thus does not provide protection of the module required for direct mail. In addition, the size of the package and composition of the film are not compatible with providing a mailing address and postage. Applicant contends that it would not have been obvious to one of ordinary skill in the art to provide a kitted Smart Card that is only suitable for bulk distribution and not direct mailing. The standard in the industry was and continues to be "o use the same preprinted #10 envelop for both.

Limelette discloses wrapping a film comprising an opaque area and a transparent area around a data-encoded card to cover confidential information on the card and reveal the non-confidential information. At col. 2, lines 21-27 Limelette states "The non-transparent area NTA of the wrapping film P is, for example obtained by printing an opaque ink. The opaque ink is, for example, a layer of metallic print or a layer of black printing. The non-transparent area NTA can be uniformly of the same colour, for

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example grey. The non-transparent area can also be made of a more complicated texture."

The printing of an opaque ink onto the film to provide the non-transparent area, which as shown in Fig. 2 covers the entire card except for the non-transparent area, is incompatible with printing a license agreement on the film. First, the printed license agreement itself would not form a NTA suitable to cover confidential information. Second, one or ordinary skill in the art would not print multiple layers of ink on a film and expect to achieve legible print. There is no suggestion or motivation in Limelette to print over the opaque ink and no reason to suggest that such printing would be legible. In fact, the use of a metallic or black ink to provide the NTA clearly teaches away from printing text on the film. Similarly, one would not print text over a complicated texture. Limelette does not provide any motivation or incentive for modifying the teachings of APA to achieve the claimed invention, or any basis for a reasonable expectation of success in modifying the teachings to achieve the claimed invention. Therefore, the rejection of claims 1-13 under 35 U.S.C. § 103(a) has been overcome.

Claims 3-5 as amended address the case in which the footprint of the license agreement is larger than the footprint of the Smart Card. This is dictated by the length of the license agreement and the minimum font size so that the agreement is legible and binding on the user. If one were to accept the argument that using film instead of a #10 paper envelop to form a smaller and thus cheaper package was obvious, than based on the same premise that smaller is cheaper one would be led to form the package snugly around the Smart Card. As amended claim 3 specifies that the footprint of the agreement is wider than the footprint of the Smart Card and the footprint of the package is even wider to accommodate the license agreement. Claim 4 addresses the case in which the agreement is too long to simply wrap around the smart card. The package is oversized in height to accommodate the length of the license agreement. Claim 5 as amended specifies particular package dimensions to accommodate a standard Smart Card and an oversized license agreement. Applicant does not agree that the relative sizes of the Smart Card, license agreement and package are mere matters of experimentation as to the most

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efficient and optimum package. The most efficient package would be snug, not oversized.

Claim 9 as amended specifies that the film is wrapped around the Smart Card to avoid touching the module except with the film itself. This is done to protect the module prior to and during packaging.

Claim 10 as amended specifies a particular lay out of the header, window and printed licensing agreement. As the Examiner points out the spine provides easy access and grasping of the package. Applicant places the header including a product identifier and an admonishment to read the licensing agreement on the spine. Because the user is likely to grab the spine he/she is more likely to read the admonishment, and thus read the license agreement that wraps back-to-front. The header, window and licensing agreement could be laid out in any number of ways. Applicant has provided and is claiming a particular lay out that efficiently uses the available space on the film and places the header in a highly visible location. Neither APA or Limelette provide any motivation or teaching regarding placement of such a header on a spine of the package.

Claims 11 and 13 as amended specify that the license agreement is printed with dark text against a contrasting light film. As discussed above, Limelette teaches printing an opaque ink onto the film to form the non-transparent area. Examples of this printing include metallic ink, black ink and complicated textures. Limelette clearly teaches away from printing dark text onto a light contrasting film.

Claim 12 specifies that the film is a polypropylene/polyethylene film. This particular film is non-metallic to avoid damaging the module on the Smart Card. Printing such a film with a metallic ink as suggested by Limelett would cause the metallic ink to permeate the film and possibly damage the module.

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## II. Conclusion

It is respectfully urged that the subject application is patentable over the cited references and is now in condition for allowance.

The Examiner is invited to call the undersigned at the below listed telephone number if, in the opinion of the Examiner, such a telephone conference would expedite or aid the prosecution and examination of this application.

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Date: September 25, 2006

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